Oil companies have been advised to operate LPG supply bases/ bottling plants inextended hours/holidays so as to clear the existing backlog expeditiously.

**Depriving royalty rate to Gujarat**

1648. SHRI BRAHMAKUMAR BHATT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have decided to link the price of crude oil to the international FOB price for the post March 1998 period;

(b) the reasons for depriving of the royalty rate to the Govemment of Gujarat; and

(c) if not, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) The price of crude oil payable to ONGC/OIL has been linked to FOB price of imported crude oil w.e.f. 01.04.98. ONGC/OIL are being paid pre-announced percentage of weighted average of FOB price of actual imports of crude oil subject to floor benchmark basic price of Rs, 1919/MT, which was the provisional basic price as on 31.03.98. The pre-announced percentages are as follows:

| Year | % age |
|---|---|
| 1998-1999 | 75 |
| 1999-2000 | 77.5 |
| 2000-2001 | 80 |
| 2001-2002 | 82.5 |

The price of crude oil is fixed on monthly basis.

(b) and (c) A new scheme of royalty from 1.4.98 is being formulated and will be put in place shortly. In the meantime, royalty on crude oil is being paid to Central and State Government, including Gujarat State, provisionally.